

**Ex. A to
Declaration of Joseph R. Rose**

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**Electronically
FILED**

by Superior Court of California, County of San Mateo
 ON 9/11/2024
 By /s/ Haley Correa
 Deputy Clerk

5
 6 Attorneys for Plaintiff
 MATTHEW LAZARES, ON BEHALF OF HIMSELF,
 AND ALL OTHERS SIMILARLY SITUATED
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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

9 **IN AND FOR THE COUNTY OF SAN MATEO**

10
 11 MATTHEW LAZARES, an individual, on
 behalf of himself, and all others similarly
 situated;

12
 13 Plaintiff,
 14 vs.

15 SHOPIFY (USA), INC., a Delaware
 16 corporation; and DOES 1 through 50,
 inclusive;

17
 18 Defendants.

19 Case No. 24-CIV-03532

20 **CLASS AND REPRESENTATIVE ACTION**

21 **FIRST AMENDED COMPLAINT FOR:**

1. **FAILURE TO PAY OVERTIME (WAGE ORDER 4-2001 AND LABOR CODE §§510 AND 1198)**
2. **FAILURE TO PROVIDE MEAL BREAKS (WAGE ORDER 4-2001, §11 AND LABOR CODE §§512 AND 226.7)**
3. **FAILURE TO PROVIDE REST BREAKS (WAGE ORDER 4-2001, §12 AND LABOR CODE §226.7)**
4. **FAILURE TO PAY MINIMUM WAGES (WAGE ORDER 4-2001 AND LABOR CODE §§1194, 1197 and 1182.12)**
5. **FAILURE TO PAY WAGES (LABOR CODE §§204 AND 210)**
6. **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS (LABOR CODE §226)**
7. **FAILURE TO PAY ALL WAGES EARNED UPON DISCHARGE (LABOR CODE §§201, 202 AND 203)**

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**8. UNLAWFUL BUSINESS
PRACTICES (BUSINESS AND
PROFESSIONS CODE §17200)**

**9. CIVIL PENALTIES PURSUANT TO
LABOR CODE PRIVATE
ATTORNEY GENERAL ACT
(LABOR CODE §2699, ET. SEQ.)**

DEMAND FOR JURY TRIAL

7
8 Plaintiff Matthew Lazares (“**Lazares**” or “**Plaintiff**”), on behalf of himself, and all others
9 similarly situated, hereby alleges the following Complaint against Shopify (USA), Inc. (“**Shopify**”),
10 and DOES 1 through 50 (collectively as “**Defendants**”) as follows:

11 **THE PARTIES**

12 1. Lazares is and at all times relevant hereto was a resident of the State of California,
13 County of San Mateo.

14 2. During his tenure with Defendants, Lazares was employed by and performed services
15 for Defendants and out of his home office in the County of San Mateo.

16 3. Plaintiff is informed and believes that Defendant Shopify (USA), Inc., is presently a
17 Delaware Corporation and that it does business in and employs individuals in the County of San
18 Mateo as well as employed individuals, including Lazares, as well as from their home offices in
19 various other counties in California.

20 4. Plaintiff is informed and believes that Defendant Shopify (USA), Inc. maintained their
21 U.S. headquarters in an office at 33 New Montgomery Street, Suite 750, in San Francisco, California
22 (“**San Francisco Office**”).

23 5. Plaintiff is informed and believes that, prior to 2024, Defendant Shopify (USA), Inc.’s
24 U.S. operations as being headquartered out of the San Francisco.

25 6. Defendants were Plaintiff’s and the Class Members’ employer within the meaning of
26 Government Code §§ 12926(d), 12940 (a), (h), (l), (h) (3) (A) and (i), and 12950, and the Labor Code,
27 and regularly employ five (5) or more persons and are therefore subject to the jurisdiction of this
28 Court.

1 7. The true names and capacities, whether individual, corporate, associate, or otherwise
2 of the Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at this time and
3 therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this
4 Complaint to insert the true names and capacities of said Defendants when the same become known
5 to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of the fictitiously
6 named Defendants is responsible for the wrongful acts alleged herein and is therefore liable to
7 Plaintiff and the Class Members as alleged hereinafter.

8. Plaintiff is informed and believes, and based thereupon alleges, that at all times
relevant hereto, Defendants, and each of them, were the agents, employees, managing agents,
supervisors, conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of the
other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part
within the course and scope of said agency, employment, conspiracy, joint employment, alter ego
status, and/or joint venture and with the permission and consent of each of the other Defendants.

14 9. Plaintiff is informed and believes, and based thereupon alleges, that Defendants, and
15 each of them, including those Defendants named DOES 1-50, acted in concert with one another to
16 commit the wrongful acts alleged therein, and aided, abetted, incited, compelled, and/or coerced one
17 another in the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is further informed
18 and believes, and based thereupon alleges, that the Defendants, and each of them, including those
19 Defendants named as DOES 1-50, formed and executed a conspiracy or common plan pursuant to
20 which they would commit the unlawful acts alleged herein, with all such acts alleged herein done as
21 part of and pursuant to said conspiracy, intended to and actually causing Plaintiff and the Class
22 Members' harm.

23 10. Whenever and wherever reference is made in this Complaint to any act or failure to
24 act by a Defendant or co-Defendant, such allegations and references shall also be deemed to mean
25 the acts and/or failures to act by each Defendant acting individually, jointly, and severally.

JURISDICTION AND VENUE

27 ||| 11. The monetary value of Plaintiff's claim exceeds \$25,000.

28 12. The amount in controversy herein is within the jurisdiction of this Court.

1 13. The acts, omissions, damages, and injury that form the basis of this lawsuit were
2 sustained, at least in part, in the County of San Mateo.

3 14. Defendants maintained an office in the County of San Francisco that, until 2024, was
4 held out as their U.S. headquarters.

5 15. Defendants are qualified to do business in California and regularly conduct business
6 in San Mateo County, California.

7 16. As Defendants employ Lazares out of his home office in the County of San Mateo.

8 17. This Court is the proper Court, and this action is properly filed in the County of San
9 Mateo pursuant to Code of Civil Procedure §395 because Defendants employ people, including
10 Lazares, in the County of San Mateo, at least some of Defendants' obligations and liability arise in
11 the County of San Mateo, and because at least some of the work that is the subject of this action was
12 performed by Lazares and some of the Class Members in the County of San Mateo.

ALTER EGO, AGENCY, AND JOINT EMPLOYER

14 18. Plaintiff is informed and believes, and based thereon alleges, that there exists such a
15 unity of interest and ownership between Defendants and DOES 1-50 that the individuality and
16 separateness of Defendants have ceased to exist.

17 19. Plaintiff is informed and believes, and based thereon alleges, that despite the formation
18 of purported corporate existence, DOES 1-50 are, in reality, one and the same as Defendants,
19 including, but not limited to because:

20 a. Defendants are completely dominated and controlled by DOES 1-50, who
21 personally violated the laws as set forth in this complaint, and who have hidden and currently hid
22 behind Defendants to circumvent statutes or accomplish some other wrongful or inequitable purpose.

23 b. DOES 1-50 derive actual and significant monetary benefits by and through
24 Defendants' unlawful conduct, and by using Defendants as the funding source for their own personal
25 expenditures.

26 c. Plaintiff is informed and believes that Defendants and DOES 1-50, while really
27 one and the same, were segregated to appear as though separate and distinct for purposes of
28 circumventing a statute or accomplishing some other wrongful or inequitable purpose.

1 d. Plaintiff is informed and believes that Defendants do not comply with all
 2 requisite corporate formalities to maintain a legal and separate corporate existence.

3 e. Plaintiff is informed and believes, and based thereon alleges, that the business
 4 affairs of Defendants and DOES 1-50 are, and at all times relevant were, so mixed and intermingled
 5 that the same cannot reasonably be segregated, and the same are in inextricable confusion.
 6 Defendants are, and at all times relevant hereto were, used by DOES 1-50 as a mere shell and conduit
 7 for the conduct of certain of Defendants' affairs, and are, and were, the alter ego of DOES 1-50. The
 8 recognition of the separate existence of Defendants would not promote justice, in that it would permit
 9 Defendants to insulate themselves from liability to Plaintiff for violations of the Government Code,
 10 Labor Code, and other statutory violations. The corporate existence of Defendants and DOES 1-50
 11 should be disregarded in equity and for the ends of justice because such disregard is necessary to
 12 avoid fraud and injustice to Plaintiff herein.

13 20. Accordingly, Defendants constitute the alter ego of DOES 1-50, and the fiction of their
 14 separate corporate existence must be disregarded.

15 21. As a result of the aforementioned facts, Plaintiff is informed and believes, and based
 16 thereon alleges that Defendants and DOES 1-50 are Plaintiff's joint employers by virtue of a joint
 17 enterprise, and that Plaintiff was an employee of Defendants and DOES 1-50. Plaintiff performed
 18 services for each and every one of Defendants, and to the mutual benefit of all Defendants, and all
 19 Defendants shared control of Plaintiff as an employee, either directly or indirectly, in the manner in
 20 which Defendants' business was and is conducted.

21 **FACTUAL ALLEGATIONS**

22 22. Defendants have consistently maintained and enforced against Lazares and Class
 23 Members unlawful employment practices and policies which violate the Labor Code and IWC Wage
 24 Orders.

25 ***Defendants Misclassify Their California Sales Employees as Exempt from Overtime***

26 23. Defendants' commissioned employees in the state of California ("California Sales
 27 Employees") are paid a set base salary plus commissions pursuant to Defendants' Sales Incentive
 28 Program (the "Commission Plan").

1 24. Defendants classifies their California Sales Employees as “exempt” employees.

2 25. However, the California Sales Employees are not exempt from overtime, nor do they
3 qualify for any exemption listed in Wage Order 4, which governs the California Sales Employees’
4 employment with Defendants.

5 26. California Sales Employees on target earnings (“OTE”) are set such that less than
6 fifty (50%) percent of their compensation is derived from commissions, which is stated as much in
7 the California Sales Employees’ offer letters.

8 27. California Sales Employees are assigned to work and do work from their home offices
9 in California.

10 28. California Sales Employees do not customarily or regularly travel outside of or away
11 from their home office to make sales much less spend more than fifty percent (50%) of their time
12 away from their home office as all sales activity is conducted via telephone or other remote platform
13 (e.g., Google Meet, etc.) by the California Sales Employees from their home offices.

14 29. As a result of the foregoing, California Sales Employees do not qualify as exempt
15 outside sales employees under Wage Order 4.

16 30. Wage Order 4 requires that, in order for California Sales Employees, who do not
17 qualify under the outside salesperson exemption, to be exempt from overtime (i.e., inside sales
18 employees), more than half of their compensation must be commissions (i.e., greater than 50%).
19 Additionally, the commission compensation component of the exemption must be satisfied in each
20 workweek and paid in each pay period for the exemption to apply. *See Peabody v. Time Warner*
21 *Cable, Inc.*, 59 Cal.4th 662 (2014). This is commonly referred to as the “Inside Salesperson
22 Exemption.”

23 31. Defendants pay California Sales Employees, including Lazares, less than 50% of their
24 total compensation in commissions. In fact, Lazares’ offer letter expressly sets his commissions at
25 less than 40% of his total compensation.

26 32. Furthermore, Commissions do not make up more than half of the California Sales
27 Employees’ compensation during all of their pay periods either as Defendants do not pay
28 commissions under the end of each quarter and, in fact, withhold some commissions until the

1 following year (i.e., commissions earned in 2024 will not be paid until 2025).

2 33. As such, the California Sales Employees do not qualify for the Inside Salesperson
3 Exemption.

4 34. Lazares, like other California Sales Employees, was misclassified as exempt.
5 Specifically, Lazares did not receive more than 50% of his compensation as commission during his
6 employment. In fact, Lazares' offer letter specifically states that his base salary would be \$186,500
7 per year while his OTE commission earnings would be \$124,300. As such, Lazares' commissions did
8 not even amount to 50% of his total compensation for his entire year much less all of his pay periods.
9 Thus, Lazares, like other California Sales Employees, was misclassified as an exempt employee.

10 ***Defendants Fail to Provide Meal and Rest Breaks to Their Sales Employees***

11 35. Regardless of the classification of the California Sales Employees (either as exempt
12 or non-exempt), Defendants were still obligated to comply with California's meal and rest break laws
13 pursuant to Wage Order 4.

14 36. Defendants do not have a written, actively enforced policy of providing meal breaks
15 and/or rest periods to their California Sales Employees.

16 37. In fact, California Sales Employees' schedules regularly prevent them from being able
17 to take an uninterrupted thirty (30) minute lunch break as well as prevent them from being permitted
18 to take their ten (10) minute rest breaks. Moreover, California Sales Employees often work straight
19 through their shift without a single rest break.

20 38. Specifically, California Sales Employees are regularly prevented from taking an
21 uninterrupted thirty (30) minute off duty lunch period before the end of their fifth hour of work or a
22 second uninterrupted thirty (30) minute off duty lunch period before the end of their tenth hour of
23 work as they often have to (i) attend work obligations (including, but not limited to, sales meetings,
24 phone calls, emails, etc.) that interrupt their meal breaks, (ii) take less than thirty (30) minutes for
25 their lunch breaks, (iii) take them after their fifth hour or tenth hour of work as appropriate, or (iv)
26 miss their meal breaks in their entirety.

27 39. Furthermore, the nature of the work performed by California Sales Employees prevent
28 them from taking their ten (10) minute rest breaks and Defendants also intentionally do not schedule

1 any breaks into California Sales Employees' workday.

2 40. Additionally, California Sales Employees do not sign or execute any written
 3 agreement to take "on-duty" meal periods within the meaning of Wage Order 4-2001, §11, nor do
 4 they sign any agreements waiving their statutory meal periods.

5 41. As a California Sales Employee, Lazares was subject to the aforementioned practices
 6 and regularly denied and prevented the ability to take his uninterrupted thirty (30) minute off duty
 7 lunch periods as required by law. When Lazares did take his lunch breaks, he was often and routinely
 8 (i) interrupted for work matters, (ii) forced to work through his lunch breaks and miss his meal breaks
 9 in their entirety or take less than thirty (30) minutes, (iii) take his lunch periods after his fifth hour or
 10 tenth hour of work as appropriate, or (iv) prevented from leaving the premises for his meal breaks by
 11 his work obligations.

12 42. Furthermore, Lazares was also required to work though his rest periods and regularly
 13 prevented from taking at least one ten (10) minute rest break for every four (4) hours or major fraction
 14 thereof worked.

15 43. Additionally, Lazares never signed nor executed any written agreement with
 16 Defendants to take "on-duty" meal periods nor did he waive his statutory meal periods.

17 ***Defendants Fail to Pay Overtime to Their Misclassified Sales Employees***

18 44. As stated herein above, Defendants misclassified the California Sales Employees and
 19 has an express policy and practice of not paying California Sales Employees for their overtime or all
 20 hours worked by the California Sales Employees.

21 45. California Sales Employees regularly worked and work in excess of forty (40) hours
 22 in a week and eight (8) hours in a day as well as seven (7) consecutive days in a week; however, they
 23 are not paid overtime for these hours in accordance with California law.

24 46. As a California Sales Employee, Lazares was misclassified and regularly worked in
 25 excess of forty (40) hours in a week and eight (8) hours in a day as well as seven (7) consecutive days
 26 in a week; however, he was not paid overtime for these hours.

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28 ///

Defendants Fail to Properly Pay California Sales Employees' Sick Time

47. Defendants have a pattern and practice of paying their California Sales Employees at their base rate of pay for any sick time hours that they record in order to deny them their regular rate of pay for such hours in violation of Labor Code §246(l).

48. In fact, Defendants fail to take into account all of their California Sales Employees' compensation and earnings, including, but not limited to, earned commissions and bonuses, when calculating their sick time pay.

49. Moreover, when California Sales Employees report their sick time to Defendants, Defendants do not record the sick time hours on their paystub, but rather just pays the California Sales Employees for their base rate of pay and salary for the period of time that they are sick.

50. As such, Defendants denied California Sales Employees the full amount of their wages and compensation that they were entitled to receive for such sick time hours under one of the required sick pay for such hours pursuant to Labor Code §246(l).

51. Lazares, as a non-exempt California Sales Employee, was subject to the aforementioned practice. Specifically, when Lazares reported and recorded his sick time off, Defendants simply paid Lazares' normal salary and regular rate of pay to him for the sick hours instead of one of the required sick pay calculations for such hours pursuant to Labor Code §246(l), which denied Lazares the full amount of his wages that he was entitled to and should have received for the sick hours that he took.

Defendants Fail to Comply with California's Commission Laws

and Have an Illegal Commission Plan

52. Defendants have a policy and practice of changing and revising their commission plans, such that the old commission plan terms and conditions expire, without ever entering into a new commission plans agreements with its California Sales Employees.

53. In fact, the Commission Plan blatantly states that “*the terms and conditions of the Program, including without limitation the incentive target, may change from year to year and from time to time at the sole discretion of Shopify without a requirement for my agreement,*” which is indirect violation of California Labor Code §2751as it expressly allows for Defendants to create new

1 plans without ever providing the new commission plan terms in a signed writing to the California
2 Sales Employees or obtaining the employee's signature and agreement.

3 54. Defendants then applies the new terms and conditions (that were never provided to the
4 California Sales Employees in a signed writing), which are less favorable to the California Sales
5 Employees, to their commissions earned after the previous commission plan that was originally
6 executed expired (i.e., was amended, altered or revised without being signed by the California Sales
7 Employees).

8 55. Defendants also have a policy and practice of retroactively applying the new terms and
9 conditions (that were never provided to the California Sales Employees in a signed writing) to
10 commissions already earned before the new Commission Plan was put into place (i.e., commissions
11 earned in April will not be paid out until after June [i.e., after the close of quarter 2] or in the following
12 year and will be subject to any new commission plan that is put into place between April and the date
13 that the commissions are paid to the California Sales Employees.

14 56. Additionally, Defendants consistently alter and change California Sales Employees'
15 quotas without providing them a signed writing with the updated Commission Plan. In fact, Lazares,
16 and California Sales Employees, were originally provided with annual sales quota, then, without
17 updating the Commission Plan, Defendants, after the start of 2024, suddenly decided to institute a
18 "quarterly quota" even though a "quarterly quota" does not exist in any written Commission Plan that
19 has been executed by Lazares or any of the California Sales Employees and Defendants.

20 57. As a California Sales Employee, Lazares was also subject to the aforementioned
21 policies and practices. In fact, Lazares has repeatedly complained to Defendants that Lazares and
22 California Sales Employees were not being provided a written, signed agreement, which makes it
23 impossible for Lazares and other California Sales Employee to understand and calculate their
24 commissions as well as track their progress as it relates to their targets. However, Defendants have
25 never, to date, provided Lazares, or any other California Sales Employees, with an updated written
26 Commission Plan. Rather, Defendants have decided to intentionally and deliberately flaunt California
27 law by refusing to provide Lazares, and all other California Sales Employees, with a signed
28 Commission Plan as required by California law (as well as a new signed written commission plan

1 each and every time the Commission Plan changes).

2

Defendants Require California Sales Employees to

Waive Their Wage Claims as Part of Its' Commission Plan

3

4 58. Defendants Commission Plan also requires California Sales Employees, including
5 Lazares, to “*waive [their] entitlement to damages or other compensation whatsoever arising from, in*
6 *lieu of, or related to not receiving any payments under the Program which would have, or may have,*
7 *arisen or accrued after my last date of Active Employment.*”

8

9 59. Requiring an employee to waive his or her right to bring a wage claim as a condition
10 of employment or any other agreement is a blatant violation of California Labor Code 206.5, which
11 prohibits an employer from requiring an employee to release a claim for wages due or potentially due
unless “payment of those wages has been made.”

12

13 60. Furthermore, Defendants’ Commission Plan states that “*no period of common law*
14 *reasonable notice that exceeds my minimum statutory notice period under the applicable employment*
15 *standards legislation (if any) that ought to have been given following my last date of Active*
16 *Employment will be used for the purposes of calculating my entitlements under the Program,*” which
17 essentially requires California Sales Employees, including Lazares, to waive their potential statute of
limitation rights.

18

19 61. Presenting California Sales Employees with a Commission Plan that contain these
20 well-known illegal terms and conditions is also a violation of California Labor Code §432.5, which
21 prohibits any employer from requiring an employee to agree to a term or condition that it knew or
22 should have known was illegal. As an employer in California, Defendants knew, or should have
23 known, that these terms and conditions are illegal in the state of California but forces their California
24 employees to agree to these illegal terms and conditions as a condition of their employment with
Defendants.

25

26 62. As a California Sales Employee, Lazares was presented with a Commission Plan that
27 contained all of these illegal terms and conditions and his employment with Defendants was subject
to all of the foregoing illegal terms and conditions.

28

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Defendants Blatantly Violate Section 7 of the National Labor Relations Act

63. Defendants' Commission Plan asserts that it "*is the confidential information of Shopify and disclosure of its terms and conditions are governed by the terms of employee agreements, including but not limited to the Intellectual Property Rights Agreement.*"

64. Defendants' Intellectual Property Rights Agreement ("IP Agreement") specifically prohibits employees from discussing or disclosing "*confidential information*" to anyone.

65. Thus, by designating the Commission Plan as “*confidential information*” under the Company’s IP Agreement, the Company is preventing all of its California Sales Employees from discussing the terms and conditions of their employment, their wages (i.e., their commissions), and their commission plans in blatant violation of Section 7 of the National Labor Relations Act (“NLRA”).

66. Moreover, the Company's IP Agreement itself violates Section 7 of the NLRA as it classifies every piece of information as "confidential" without making an exception of information regarding the terms and conditions of their employment, their wages (i.e., their commissions), etc. as protected by Section 7 of the NLRA.

67. Additionally, Defendants' form Performance Improvement Plan ("PIP") requires Defendants' California employees (i.e., all employees in the state of California) who are placed on a PIP to keep "the PIP "strictly confidential"" and extends this confidentiality "*to [Defendants' California employees'] ongoing discussions and/or documentation related to the PIP, and may not be discussed with anyone who is not directly involved in the PIP process.*"

68. As a result, Defendants expressly prevent any California employee who is required to sign a PIP from discussing the terms and conditions of their employment (i.e., their discipline, the PIP and anything related to the PIP) in direct violation of Section 7 of the NLRA, which expressly allows for all U.S. employees to speak freely and unencumbered about the terms and conditions of their employment.

69. Presenting California Employees with the IP Agreement and PIP as well as the California Sales Employees with the Commission Plan that contain these well-known illegal terms and conditions are a violation of California Labor Code §432.5, which prohibits any employer from

1 requiring an employee to agree to a term or condition that it knew or should have known was illegal.
 2 As an employer in the United States and California, Defendants knew, or should have known, that
 3 these terms and conditions are illegal in the United States and state of California but forces their
 4 California employees and California Sales Employees to agree to these illegal terms and conditions.

5 70. As a California Employee and California Sales Employee, Lazares was subject to all
 6 of the foregoing practices.

7 ***Defendants Force Their California Employees to Agree to an Illegal Non-Compete Clause***

8 71. Business and Professions Code §16600 provides that “every contract by which anyone
 9 is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent
 10 void.” As a result, non-compete agreements that forbid an employee from competing or working for
 11 a competitor are illegal in the state of California.

12 72. Customer non-solicit agreements are also illegal in the state of California under
 13 Business and Professions Code §16600. *Edwards v. Arthur Andersen LLP*, (Cal. 2008) 44 Cal. 4th
 14 937.

15 73. In fact, California has held that overly broad confidentiality provisions, such as those
 16 contained in the Company’s “IP Agreement” operate as de-facto non-compete agreement as well. See
 17 *Brown v. TGS Mgmt. Co., LLC*, 57 Cal. App. 5th 303, 318–19 (2020).

18 74. Employee non-solicitation agreements have also been held to be illegal in California
 19 as well.

20 75. At the outset of their employment, Defendants require all of their California Employee
 21 to execute the Company’s IP Agreement, which states as follows:

22 *“During your employment and for a period of twelve (12) months following the end
 23 of your job with Shopify, you will not, for any reason (i) solicit, or attempt to solicit,
 24 the business of any individual or entity that was an actual or prospective customer
 25 or business partner of Shopify [...] or (ii) recruit, solicit, or hire any employee,
 26 consultant, independent contractor who performed services for Shopify during the
 27 six (6) months prior to the end of your job with us, or induce or attempt to induce
 28 any such employee, consultant, or independent contractor, to discontinue their*

1 *employment or contractual or other business relationship with Shopify [...]”.*

2 76. Defendants have enforced and continued to enforce their illegal non-compete clauses
3 as well as their overly broad IP Agreement that operates as a non-compete agreement.

4 77. Presenting California Employees with the IP Agreement that contain these well-known
5 illegal terms and conditions are a violation of California Labor Code §432.5, which prohibits any
6 employer from requiring an employee to agree to a term or condition that it knew or should have
7 known was illegal. As an employer in the United States and California, Defendants knew, or should
8 have known, that these terms and conditions are illegal in the state of California but forced their
9 California Employees to agree to these illegal terms and conditions.

10 78. As a California Employee and California Sales Employee, Lazares was subject to all
11 of the foregoing practices.

12 **Defendants Failed to Comply with California Business and Professions Code §16600.01**

13 79. California Business and Professions Code §16600.01 also requires employers to notify
14 all current California employees and former California Employees (employed any time after January
15 1, 2022) that the non-compete agreements were now void by no later than February 14, 2024.

16 80. Defendants failed to provide any such notice to any California Employees or any
17 former California Employees by February 14, 2024.

18 81. Violation of Business and Professions Code §16600.01 is also a violation of Business
19 and Professions Code §17200.

20 ***Defendants IP Agreements Violates California Law and is Unenforceable***

21 82. California Labor Code §2872 requires that any “*agreement entered into after January
22 1, 1980, contains a provision requiring [an] employee to assign or offer to assign any of his or her
23 rights in any invention to his or her employer, the employer must also, at the time the agreement is
24 made, provide a written notification to the employee that the agreement does not apply to an invention
25 which qualifies fully under the provisions of Section 2870.”*”

26 83. Defendants’ IP Agreement and Shopify failed to provide any such notice required by
27 California Labor Code §2870 to California Employees and, as such, is void under California Labor
28 Code §2872 as well as under Business and Professions Code §16600 as it operates as de-facto non-

1 compete agreement as well. See *Brown v. TGS Mgmt. Co., LLC*, 57 Cal. App. 5th 303, 318–19 (2020);
2 see also *Whitewater West Industries, Ltd. v. Alleshouse* (Fed. Cir., Nov. 19, 2020, No. 2019-1852)
3 2020 WL 6788760.

4 84. Presenting California Employees with the IP Agreement that failed to include a Labor
5 Code §2870 notice is a violation of California Labor Code §432.5, which prohibits any employer
6 from requiring an employee to agree to a term or condition that it knew or should have known was
7 illegal and presenting an Intellectual Property Assignment Agreement without a California Labor
8 Code §2870 notice is requiring California employees to agree to an illegal agreement. As an employer
9 in the United States and California, Defendants knew, or should have known, that these terms and
10 conditions are illegal in the state of California but forced their California Employees to agree to these
11 illegal terms and conditions.

12 85. As a California Employee and California Sales Employee, Lazares was subject to all
13 of the foregoing practices.

Defendants Do Not Timely Pay Their California Sales Employee's Wages

15 86. Defendants have a pattern and practice of not timely paying commissions earned by
16 California Sales Employees in violation of Labor Code §204(a).

17 87. Defendants have a policy and practice of withholding the earned commissions of
18 California Sales Employees that are earned in one year and paying those earned commissions the
19 following year (i.e., commissions earned during 2024 are withheld from the California Sales
20 Employees and paid in 2025).

21 88. Defendants also have an express policy of only paying California Sales Employees the
22 remainder of their earned commissions (i.e., those not withheld until the following year) after the end
23 of each quarter regardless of when they were earned.

24 89. As a result of the foregoing, Defendants often wait an additional pay period or longer
25 to pay their California Sales Employees' commissions after the pay period in which they were
26 required to be paid under California law (i.e., the pay period after they are earned). For example,
27 commissions earned on January 15, 2024, were not paid until April of 2024.

28 90. Furthermore, when a California Sales Employee leaves Defendants' employment,

1 Defendants fail to pay the California Sales Employee all of their commissions at the time of their
 2 departure.

3 91. Lazares, as a California Sales Employee, was subject to the aforementioned practice
 4 and, as a result, he did not receive his earned commissions in accordance with California law and,
 5 instead, received commissions after the pay period in which they were due.

6 ***Defendants Do Not Timely Pay Their Employee's Upon Their Separation of Employment***

7 92. Defendants have a pattern and practice of refusing to pay their California employees
 8 all of their earned wages immediately at the time of their separation of employment as required by
 9 Labor Code §§201 and 202. Rather Defendants, if they do pay the wages due to the former
 10 employees, will wait days, weeks, and sometimes months to pay their former California employees'
 11 earned wages to them.

12 93. Furthermore, when a California Sales Employee separates from Defendants,
 13 regardless of whether they are terminated by Defendants or they resign, Defendants refuse to pay the
 14 California Sales Employees with all of their earned commissions at the time of their departure, but
 15 rather, if Defendants decide to pay them at all, it does so well beyond the date of the California Sales
 16 Employees' departure even though such commissions are reasonably calculable at the time of the
 17 California Sales Employees' departure.

18 ***Defendants Fails to Provide Their Misclassified Sales Employees One Day of Rest in Seven***

19 94. The requirements of the California Sales Employees' jobs require them to often work
 20 on their days off and weekends such that they are often and regularly required to work seven straight
 21 days.

22 95. Lazares, like other California Sales Employees, was subject to these practices and
 23 would have to respond to emails or calls and complete other tasks on the weekends. As a result,
 24 Lazares, like other California Sales Employees, was regularly forced to work seven consecutive days
 25 without a day off.

26 ***Defendants Refuse to Provide California Sales Employees with Written Notice of Employment-
 27 Related Matters upon Hiring or within Seven Calendar Days after Making a Change to Notice***

28 96. Shopify has a policy and practice of not providing written notice to their California

Sales Employees of the employment-related information outlined in Labor Code §2810.5(a)(1).

97. Lazares, as an employee and California Sales Employee, was subject to the aforementioned policy and practice and never received written notice of the employment-related information outlined in Labor Code §2810.5(a)(1). As a result, Defendants failed to comply with Labor Code §2810.5 by not providing him with written notice of the requisite information

CLASS ACTION ALLEGATIONS

98. Plaintiff brings this action individually on behalf of himself and as a class action on behalf of a proposed Class defined as follows:

- i. All persons employed by Defendants in the state of California at any time during the period from four years before the filing of the Complaint through the date of class certification (“**California Employees**” and “**California Employee Class**”)
- ii. All persons employed by Defendants in the state of California at any time during the period from four years before the filing of the Complaint through the date of class certification whose compensation included commissions and who did not manage two or more other employees more than 50 percent of the time (“**Inside Sales Class Members**”).

99. The Class is also comprised of the following Subclasses:

- i. Those members of the Class, including any Subclasses, who separated from their employment with Defendants during the period from four years before the filing of the Complaint through the date of class certification (“**Former Employee Class Members**” and the “**Subclasses**” as well as collectively with the Inside Sales Class Members as the “**Class Members**”).

100. Plaintiff reserves the right pursuant to California Rules of Court Rule 3.764 and 3.765, to amend or modify the respective definitions of the Class and/or Subclasses to provide greater specificity and/or further division into subclasses or limitation to particular issues.

101. This action is brought, and may properly be maintained, as a class action pursuant to California Code of Civil Procedure §382 because there is a well-defined community of interest in the litigation, and the proposed class is easily ascertainable. This action presents

1 questions of common interest and satisfies the numerosity, commonality, typicality, adequacy,
 2 predominance, and superiority requirements of this provision.

3 102. The Class Members are so numerous that joinder of each individual member would be
 4 impracticable, and the disposition of their claims in a class action, rather than in numerous individual
 5 actions, will benefit the parties, the Court, and the interests of justice.

6 103. The Class Members, other than Lazares, are readily ascertainable by their job positions
 7 and duties, by their classification by Defendants, and from the books and records maintained by
 8 Defendants in their regular course of business.

9 104. There is a well-defined community of interest amongst the Class Members, as all of
 10 these individuals have resided and worked in California and have been similarly subjected to unlawful
 11 policies and/or practices herein.

12 105. Common questions of law and fact that affect the class predominate over questions
 13 that affect only individual Class Members, including, among other things:

- 14 i. whether Defendants maintained a policy and/or practice whereby Inside Sales
 15 Class Members were improperly classified as exempt from overtime as opposed
 16 to non-exempt employees;
- 17 ii. whether Defendants maintained a policy and/or practice of failing to pay Inside
 18 Sales Class Members the legally mandated minimum-wage for all hours worked;
- 19 iii. whether Defendants maintained a policy and/or practice of failing to pay Inside
 20 Sales Class Members their legally mandated overtime in accordance with Labor
 21 Code §510 for all hours worked in excess of forty (40) hours in a week, eight (8)
 22 hours in a day, or on a seventh consecutive day of a workweek;
- 23 iv. whether Defendants maintained a policy and/or practice of failing to pay Inside
 24 Sales Class Members with all of their wages by paying their applicable sick leave
 25 at their base salary instead of their regular rate of pay or in accordance with
 26 applicable California law;
- 27 v. whether Defendants maintained a policy and/or practice of failing to provide Inside
 28 Sales Class Members the meal periods to which they were entitled under California

1 law;

2 vi. whether Defendants maintained a policy and/or practice of failing to allow Inside

3 Sales Class Members the rest periods to which they were entitled under California

4 law;

5 vii. whether Defendants maintained a policy and/or practice of failing to pay Inside

6 Sales Class Members the additional hour of compensation owed to them under

7 Labor Code section 226.7 for all shifts during which a mandated meal period was

8 not provided;

9 viii. whether Defendants maintained a policy and/or practice of failing to pay Inside

10 Sales Class Members the additional hour of compensation owed to them under

11 Labor Code section 226.7 for all shifts during which they were deprived a

12 mandated rest period;

13 ix. whether Defendants maintained a policy and/or practice of failing to maintain and

14 furnish accurate, itemized wage statements to Inside Sales Class Members in

15 violation of Labor Code §226 and Wage Order 4;

16 x. whether Defendants maintained a policy and/or practice of failing to properly pay

17 the Inside Sales Commission Members within the time limits prescribed by Labor

18 Code section 204;

19 xi. whether Defendants maintained a policy and/or practice of failing to provide one

20 day of rest in seven for the Inside Sales Commission Members as by Labor Code

21 section 551;

22 xii. whether Defendants caused the Inside Sales Commission Members to work more

23 than six days in seven in violation of Labor Code section 552;

24 xiii. whether Defendants' Commission Plan contained illegal terms and conditions;

25 xiv. whether Defendants maintained a policy and/or practice of failing to properly pay

26 Former Employee Class Members within the time limits prescribed by Labor Code

27 sections 201 and 202; and

28 xv. whether Defendants violations of the Labor Code serve as predicate

1 violations of Business and Professions Code §§17200 *et. seq.*

2 106. Common questions of law and/or fact predominate over questions that affect only
 3 individual Class Members. Plaintiff's claims are typical of those belonging to the members of the
 4 Class that Plaintiff seeks to represent, and Plaintiff can adequately represent the Class that he seeks
 5 to represent.

6 **FIRST CAUSE OF ACTION**

7 **FAILURE TO PAY OVERTIME**

8 (California Wage Order 4-2001 and California Labor Code §§510 and 1198)

9 (Against All Defendants)

10 107. Plaintiff repeats and realleges all of the allegations set forth in the preceding
 11 paragraphs as if the same were fully set forth herein and with the same full force and effect.

12 108. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person who
 13 is an owner, director, officer, or managing agent of Defendants may be held personally liable for
 14 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
 15 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
 16 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

17 109. At all relevant times herein, California Labor Code §510 mandates Defendants
 18 compensate their non-exempt employees for their overtime at one and a half (1.5) times their *regular*
 19 *rate of pay* for the hours that they work each day in excess of eight (8) hours (up to twelve [12] hours)
 20 or each week for the hours that they work in excess of forty (40) hours or for the first eight (8) hours
 21 worked on a seventh consecutive day of a workweek.

22 110. Additionally, California Labor Code §510 mandates that Defendants are also required
 23 to compensate their non-exempt employees at two times (2x) their *regular rate of pay* for the hours
 24 that they work each day in excess of twelve (12) hours or in excess of eight (8) hours worked on a
 25 seventh consecutive day of a workweek.

26 111. An employee's regular rate of pay is calculated by adding all remuneration for
 27 employment (i.e., all compensation and earnings), except statutory exclusions, in any workweek
 28 divided by the total hours worked by that employee in the workweek.

1 112. Wage Order 4-2001, §3 and Labor Code §§510 and 1198 make it unlawful to pay
 2 employees for overtime work at less than the applicable overtime rate.

3 113. Specifically, Labor Code §1198 prohibits, among other things, the employment of any
 4 employee for longer hours than those fixed by under conditions of labor prohibited the labor
 5 commission's wage order, which for Defendants' employees are listed in Wage Order 4-2001.

6 114. As articulated above, Defendants forced their Inside Sales Class Members, including
 7 Plaintiff, to work more than forty (40) hours a week without overtime pay and under conditions that
 8 violated Wage Order 4 and in violation of Labor Code §1198.

9 115. Inside Sales Class Members, including Plaintiff, worked overtime as defined by Wage
 10 Order 4-2001, §3 and Labor Code §510, including, but not limited to, working in excess of eight
 11 hours in one day, forty hours in each workweek and seven days in a workweek, without overtime pay
 12 and under conditions that violated Wage Order 4-2001 and Labor Code §1198.

13 116. Pursuant to Labor Code §558, Inside Sales Class Members, including Plaintiff, are
 14 entitled to recover for a civil penalty of \$50.00 for the initial failure to compensate them at the
 15 statutory overtime rate for any work in excess of eight hours in one day or any work in excess of 40
 16 hours in any workweek and/or failure to compensate Inside Sales Class Members, including Plaintiff,
 17 at the statutory double time rate for any work in excess of twelve hours in one day or any work in
 18 excess of 8 hours on the seventh day of a workweek in addition to any underpaid wages; and \$100.00
 19 for each subsequent failure to compensate Inside Sales Class Members, including Plaintiff, at the
 20 statutory overtime rate for any work in excess of eight hours in one day or any work in excess of 40
 21 hours in any workweek and/or failure to compensate Inside Sales Class Members, including Plaintiff,
 22 at the statutory double time rate for any work in excess of twelve hours in one day or any work in
 23 excess of 8 hours on the seventh day of a workweek in addition to any underpaid wages.

24 117. Pursuant to Labor Code §1194, Inside Sales Class Members, including Plaintiff, are
 25 entitled to recover the full amount of the unpaid balance of wages, including interest thereon, along
 26 with attorney's fees and costs.

27 118. As a direct and proximate result of Defendants' conduct in violation of Wage Order
 28 4-2001, §3 and Labor Code §§510 and 1198, Inside Sales Class Members, including Plaintiff, have

1 suffered, and continue to suffer, losses related to the use and enjoyment of wages and lost interest on
 2 such wages all to their damage in an amount according to proof at trial.

3 **SECOND CAUSE OF ACTION**

4 FAILURE TO PROVIDE MEAL BREAKS

5 (California Wage Order 4-2001, §11 and California Labor Code §§512 and 226.7)

6 (Against All Defendants)

7 119. Plaintiff repeats and realleges all of the allegations set forth in the preceding
 8 paragraphs as if the same were fully set forth herein and with the same full force and effect.

9 120. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person
 10 who is an owner, director, officer, or managing agent of Defendants may be held personally liable for
 11 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
 12 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
 13 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

14 121. Wage Order 4-2001, §11 and Labor Code §512 provide that an employer “shall not
 15 employ an employee for a work period of more than five hours per day without providing the
 16 employee with a meal period of not less than 30 minutes, except that if the total work period per day
 17 of the employee is no more than six hours, the meal period may be waived by mutual consent of both
 18 the employer and employee. An employer shall not employ an employee for a work period of more
 19 than 10 hours per day without providing the employee with a second meal period of not less than 30
 20 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may
 21 be waived by mutual consent of the employer and the employee only if the first meal period was not
 22 waived.” Furthermore, “[u]nless the employee is relieved of all duty during a 30 minute meal period,
 23 the meal period shall be considered an ‘on duty’ meal period and counted as time worked. An ‘on
 24 duty’ meal period shall be permitted only when the nature of the work prevents an employee from
 25 being relieved of all duty and when by written agreement between the parties an on-the-job paid meal
 26 period is agreed to.”

27 122. Labor Code §226.7(b) provides that “[a]n employer shall not require an employee to
 28 work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable

1 regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and
 2 Health Standards Board, or the Division of Occupational Safety and Health.”

3 123. Additionally, Labor Code §226.7 requires employers to pay an additional one hour of
 4 pay at the employee’s “regular rate of compensation” for each workday that the meal or rest or
 5 recovery period is not provided (also known as a Premium Payment). The Premium Payment must be
 6 made by the employer concurrently with the other wages due within the pay period when the break
 7 violation occurred.

8 124. The California Supreme Court has also determined that the term “*regular rate of*
 9 *compensation*” for the required Premium Payment is synonymous with the term the “regular rate of
 10 pay” for the purposes of calculating overtime. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.
 11 5th 858. As such, employers were and are required to pay meal, rest, or recovery period premiums at
 12 the same regular rate used for overtime calculations. *See Id.* The California Supreme Court also
 13 applied this standard retroactively to all previous payments *See Id.*

14 125. Regardless of the classification of the Inside Sales Class Members, including Plaintiff,
 15 (either as exempt or non-exempt), Defendants were still obligated to comply with California’s meal
 16 break laws with respect to Inside Sales Class Members, including Plaintiff, pursuant to Wage Order
 17 4-2001.

18 126. Inside Sales Class Members, including Plaintiff, did not sign or execute any written
 19 agreement with Defendants to take “on-duty” meal periods within the meaning of Wage Order 4-
 20 2001, §11, nor did they sign any agreement waiving their statutory meal periods.

21 127. As articulated herein above, Inside Sales Class Members, including Plaintiff, were
 22 denied their meal breaks as required by Wage Order 4-2001 §11 and Labor Code §512.

23 128. Pursuant to Labor Code §226.7, Inside Sales Class Members, including Plaintiff, are
 24 entitled to recover from Defendants damages equal to their applicable hourly rate of pay times the
 25 total number of days worked during which they were not provided meal periods as well as interest
 26 thereon.

27 129. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
 28 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys’ fees and costs.

THIRD CAUSE OF ACTION

FAILURE TO PROVIDE REST BREAKS

(California Wage Order 4-2001, §12 and California Labor Code §226.7)

(Against All Defendants)

130. Plaintiff repeats and realleges all of the allegations set forth in the preceding paragraphs as if the same were fully set forth herein and with the same full force and effect.

131. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person who is an owner, director, officer, or managing agent of Defendants may be held personally liable for violations of the directives appearing in the wage orders and in various provisions of the Labor Code, including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017) 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

132. Pursuant to Wage Order 4-2001, §12 requires that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. [...] Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.”

133. Labor Code §226.7(b) provides that “[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.”

134. Additionally, Labor Code §226.7 requires employers to pay an additional one hour of pay at the employee's "regular rate of compensation" for each workday that the meal or rest or recovery period is not provided (also known as a Premium Payment). The Premium Payment must be made by the employer concurrently with the other wages due within the pay period when the break violation occurred.

135. The California Supreme Court has also determined that the term “*regular rate of compensation*” for the required Premium Payment is synonymous with the term the “*regular rate of pay*” for the purposes of calculating overtime. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.

1 5th 858. As such, employers were and are required to pay meal, rest, or recovery period premiums at
 2 the same regular rate used for overtime calculations. *See Id.* The California Supreme Court also
 3 applied this standard retroactively to all previous payments *See Id.*

4 136. Regardless of the classification of the Inside Sales Class Members, including Plaintiff,
 5 (either as exempt or non-exempt), Defendants were still obligated to comply with California's rest
 6 break laws with respect to Inside Sales Class Members, including Plaintiff, pursuant to Wage Order
 7 4-2001.

8 137. As described herein above, Defendants had a pattern and practice of failing to provide
 9 Inside Sales Class Members, including Plaintiff, with a rest period of ten (10) consecutive minutes
 10 for each four (4) hour work period, or major fraction thereof. All of this was done knowingly and
 11 intentionally in violation of Labor Code §§226.7 as well as IWC Wage Order 4-2001.

12 138. Pursuant to Labor Code §226.7, Inside Sales Class Members, including Plaintiff, are
 13 entitled to recover from Defendants damages equal to their applicable hourly rate of pay times the
 14 total number of days worked during which they were not provided rest periods as well as interest
 15 thereon.

16 139. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
 17 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys' fees and costs.

18 **FOURTH CAUSE OF ACTION**

19 **FAILURE TO PAY MINIMUM WAGES**

20 (California Wage Order 4-2001 and California Labor Code §§1194, 1197 and 1182.12)

21 (Against All Defendants)

22 140. Plaintiff repeats and realleges all of the allegations set forth in the preceding
 23 paragraphs as if the same were fully set forth herein and with the same full force and effect.

24 141. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person who
 25 is an owner, director, officer, or managing agent of Defendants may be held personally liable for
 26 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
 27 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
 28 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

1 142. At all times herein, Wage Order 4-2001 applied to Defendants' employment of the
 2 Class Members.

3 143. Wage Order 4-2001, §4 and Labor Code §§1197 and 1182.12 establish the right of
 4 employees to be paid minimum wages for all hours worked, in amounts set by state law. Specifically,
 5 Labor Code §1197 provides that “[t]he minimum wage for employees fixed by the commission is the
 6 minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed
 7 is unlawful.”

8 144. As stated herein, Inside Sales Class Members, including Plaintiff, worked straight time
 9 and overtime hours without any compensation for these hours worked from Defendants in violation
 10 of Wage Order 4-2001, §4 and California Labor Code §§1197 and 1182.12.

11 145. Pursuant to Labor Code §1194(a), Inside Sales Class Members, including Plaintiff, are
 12 entitled to recover the full amount of the unpaid balance of wages, including interest thereon, along
 13 with attorney's fees and costs.

14 146. Pursuant to Labor Code §1194.2(a), Inside Sales Class Members, including Plaintiff,
 15 are entitled to recover liquidated damages in an amount of wages unlawfully withheld and interest
 16 accrued thereon.

17 147. Pursuant to Labor Code §1197.1, Inside Sales Class Members, including Plaintiff, are
 18 also entitled to recover a penalty of \$100.00 for the first pay period that they were underpaid, and
 19 \$250.00 for each subsequent pay period that they were underpaid.

20 148. As a direct and proximate result of Defendants' conduct in violation of Wage Order
 21 4-2001, §4 and California Labor Code §§1197 and 1182.12, Inside Sales Class Members, including
 22 Plaintiff, have suffered, and continue to suffer, losses related to the use and enjoyment of wages and
 23 lost interest on such wages all to their damage in an amount according to proof at trial.

24 149. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
 25 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys' fees and costs.

26 ///

27 ///

28 ///

FIFTH CAUSE OF ACTION

FAILURE TO PAY WAGES

(California Labor Code §204)

(Against All Defendants)

150. Plaintiff repeats and realleges all of the allegations set forth in the preceding paragraphs as if the same were fully set forth herein and with the same full force and effect.

151. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person who is an owner, director, officer, or managing agent of Defendants may be held personally liable for violations of the directives appearing in the wage orders and in various provisions of the Labor Code, including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017) 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

152. Labor Code §204 provides in part that “all wages [...] earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular pay days.”

153. Labor Code §204 further provides that all wages earned by any employee between the 1st and 15th days of any calendar month must be paid by no later than the 26th day of the month during which the labor was performed, and all wages earned between the 16th and last day of the month must be paid by the 10th day of the following month.

154. Labor Code §204(b) also requires an employer to pay all wages earned for labor in excess of the normal work period by no later than the payday for the next regular payroll period.

155. Labor Code §246(l) requires an employer to pay its non-exempt employee's sick leave by using one of two calculations (i) In the same manner as their regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek; or (ii) by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment. Rather than comply with the foregoing obligations, Defendants paid Sick Leave Class Members, including Plaintiff, at their base hourly rate of pay (or salary rate for those misclassified) instead of one of the foregoing calculations and, as such, Defendants have failed to pay Sick Leave Class Members,

1 including Plaintiff, the full amount of their wages owed to them.

2 156. As a result of the foregoing and in violation of Labor Code §204, Defendants
 3 knowingly and willfully refused to pay and failed to perform Defendants' obligation to compensate
 4 Inside Sales Class Members, including Plaintiff, for the wages earned by them.

5 157. In violation of Labor Code §204, Defendants knowingly and willfully refused to pay
 6 and failed to perform Defendants' obligation to timely pay and compensate Inside Sales Class
 7 Members, including Plaintiff, for the wages earned by them as outlined herein above, including, but
 8 not limited to, minimum wages, overtime wages, meal and rest period wages, etc.

9 158. In violation of Labor Code §204, Defendants knowingly and willfully refused to pay
 10 and failed to perform Defendants' obligation to compensate Inside Sales Class Members, including
 11 Plaintiff, for their commission wages earned by them and timely pay their wages as outlined herein
 12 above.

13 159. As a direct and proximate result of Defendants' conduct, Inside Sales Class Members,
 14 including Plaintiff, have been damaged in an amount according to proof at trial, and seek all wages
 15 earned and due and interest thereon.

16 160. Pursuant to Labor Code §210, Inside Sales Class Members, including Plaintiff, are
 17 entitled to recover a penalty of \$100.00 for Defendants' initial failure to timely pay all of their wages
 18 earned, and \$200.00 for each subsequent failure to timely pay all of their wages earned.

19 161. Additionally, pursuant to Labor Code §210, for each subsequent failure to pay in
 20 compliance with Labor Code §204, Inside Sales Class Members, including Plaintiff, are entitled to
 21 recover an additional amount equal to 25% of the unlawfully withheld wages.

22 162. Pursuant to Labor Code §218.5, Inside Sales Class Members, including Plaintiff, are
 23 also entitled to recover their reasonable attorneys' fees and costs.

24 163. As a direct and proximate result of Defendants' conduct in violation of Labor Code
 25 §204 as alleged above, Inside Sales Class Members, including Plaintiff, have suffered, and will
 26 continue to suffer, losses related to the use and enjoyment of wages and lost interest on such wages
 27 all to their damage in an amount according to proof at trial.

28 ///

SIXTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(California Labor Code §226)

(Against All Defendants)

164. Plaintiff repeats and realleges all of the allegations set forth in the preceding paragraphs as if the same were fully set forth herein and with the same full force and effect.

165. Labor Code § 226(a) requires an employer to provide its employees with accurate itemized wage statements in writing showing: (1) all applicable hourly rates in effect during each respective pay period and the corresponding number of hours worked at the rate by the employee; (2) total number of hours worked; (3) gross wages earned; (4) net wages earned; (5) all deductions; (6) inclusive dates of the period for which the employee is paid; (7) the name of the employee and either an employee identification or the last four digits of the employee's social security number; and, (8) the name and address of the legal entity that is the employer.

166. Defendants failed to properly pay Inside Sales Class Members, including Plaintiff, wages as articulated herein, Defendants, as a result of these violations, also failed to provide Inside Sales Class Members, including Plaintiff, with accurate itemized wage statements as required by Labor Code § 226(a).

167. As a result of Defendants' failure to provide accurate itemized wages statements, Inside Sales Class Members, including Plaintiff, suffered actual damages and harm by being unable to determine their applicable pay rate and amounts due to them for each pay period, which prevented them from becoming aware of these violations and asserting their statutory protections under California law.

168. Defendants knowingly and intentionally failed to comply with Labor Code §226(a) on each and every wage statement provided to Inside Sales Class Members, including Plaintiff.

169. Pursuant to Labor Code § 226.3(e), Inside Sales Class Members, including Plaintiff, are entitled to recover the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurs and one hundred dollars (\$100.00) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000.00).

170. Inside Sales Class Members, including Plaintiff, are also entitled to an award of costs and reasonable attorneys' fees under Labor Code §226(h).

SEVENTH CAUSE OF ACTION

FAILURE TO PAY ALL WAGES EARNED UPON DISCHARGE

(California Labor Code §§201, 202 and 203)

(Against All Defendants)

171. Plaintiff repeats and realleges all of the allegations set forth in the preceding paragraphs as if the same were fully set forth herein and with the same full force and effect.

172. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person who is an owner, director, officer, or managing agent of Defendants may be held personally liable for violations of the directives appearing in the wage orders and in various provisions of the Labor Code, including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017) 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

173. California Labor Code §§201 and 202 requires an employer to pay all wages immediately at the time of separation of employment in the event the employer discharges an employee, or an employee provides at least 72 hours of notice of their intent to quit.

174. Labor Code §203 provides that an employer who fails to do so must pay a waiting time penalty of one day of an employee's wages for each calendar day thereafter that they remain unpaid, up to a maximum of thirty (30) days.

175. Waiting time penalties must be paid at the employee's daily wage rate, which is calculated by adding the employee's base wages, commissions, bonuses, and vacation pay that the employee earns in a year, dividing that sum by 52 weeks, and dividing that result by 40 hours. *Drumm v. Morningstar, Inc.* (N.D. Cal. 2010) 695 F.Supp.2d 1014, 1019. Furthermore, waiting time penalties must be paid as a penalty and without taxes or other withholdings taken out of the waiting time penalty.

176. Defendants have not paid Former Employee Class Members for all of their wages due at the time of their separation as there are still wages outstanding as a result of Defendants' violations as articulated herein nor have Defendants provided them with all of the waiting time penalties that

1 are required as a result of Defendants failure to pay all of their wages due.

2 177. As a result, and pursuant to Labor Code §203, Former Employee Class Members are
 3 entitled to recover a “waiting time” penalty of one day of their wages for each calendar day that they
 4 remain unpaid, up to a maximum of thirty (30) days.

5 **EIGHTH CAUSE OF ACTION**

6 UNLAWFUL BUSINESS PRACTICES

7 (California Business and Professions Code §17200)

8 (Against All Defendants)

9 178. Plaintiff repeats and realleges all of the allegations set forth in the preceding
 10 paragraphs as if the same were fully set forth herein and with the same full force and effect.

11 179. Pursuant to Business & Professions Code §16600.01, a violation of Business &
 12 Professions Code §16600.01 constitutes an act of unfair competition within the meaning of Business
 13 & Professions Code §17200, *et. seq.*

14 180. As Defendants have violated Business & Professions Code §16600.01 by failing to
 15 provide notice to all California Employees and Former Class Members by February 14, 2024,
 16 Defendants have violated Business & Professions Code §17200, *et. seq.*

17 181. Moreover, a violation of Business & Professions Code §17200, *et. seq.* may also be
 18 predicated on the violation of any state or federal law. Defendants’ activities, as alleged herein, are
 19 violations of California law as well as federal law (e.g. the NLRA, etc.) and constitute unlawful
 20 business acts and practices in violation of Business & Professions Code §17200, *et. seq.*

21 182. As such, Plaintiff is informed, believes, and based thereon alleges, that the practices
 22 alleged herein constitute an unlawful, unfair, and/or fraudulent business practice, as set forth in
 23 Business & Professions Code §17200, *et. seq.*

24 183. Plaintiff is informed, believes, and based thereon alleges, that the practices alleged
 25 herein present a continuing threat to members of the public as Defendants have conducted and
 26 continue to conduct business activities while failing to comply with the legal mandates cited herein.

27 184. By way of example, Defendants’ misclassification scheme allows Defendants to strip
 28 Plaintiff and Inside Sales Class Members of their fundamental employment rights, such as the right

1 to minimum wage for all hours worked, mandated meal and rest periods, premium wages for missed
 2 meal and rest periods, itemized wage statements, and the prompt payment of full wages within time
 3 limits set by law, as provided under various provisions of the Labor Code and Wage Order 4-2001.
 4 With their unlawful scheme, Defendants are able to unjustly keep and appropriate for
 5 themselves significant amounts of money that otherwise should have been paid Plaintiff and Inside
 6 Sales Class Members as wages. Defendants continue with this misclassification scheme today in
 7 order to enrich themselves at the expense of the Inside Sales Class Members.

8 185. By way of further example, Defendants' intentionally requiring California Employees
 9 to sign employment documents that contain illegal provisions strip Plaintiff and all California
 10 Employees of their fundamental employment rights, such as their ability to free move between jobs,
 11 speak to their co-workers about the terms and conditions of their employment as well as their wages,
 12 and to bring their claims to Court. Defendants also expressly use these illegal agreements to quiet
 13 employees from discussing the terms and conditions of their employment as well as to prohibit
 14 whistleblowing activities. Defendants continue to engage in this practice of presenting known illegal
 15 documents to California employees to not only enrich themselves at the expense of their California
 16 Employees, but also prevent California Employees from exercising their rights as provided by
 17 applicable California and federal law at the expense of the California Employees.

18 186. Furthermore, such skirting of the legal mandates cited herein presents a threat to the
 19 general public in that the enforcement of such laws is essential to ensure that all California employers
 20 compete equally, and that no California employer receives an unfair competitive advantage at the
 21 expense of their employees.

22 187. Defendants have clearly established a policy of accepting a certain amount of collateral
 23 damage, as represented by the damages to the Class Members herein alleged, as incidental to their
 24 business operations, rather than accept the alternative costs of full compliance with fair, lawful, and
 25 honest business practices, ordinarily borne by their responsible competitors and as set forth in
 26 legislation and the judicial record.

27 188. Defendants' unfair business practices have reaped undue benefits and illegal profits,
 28 and unjustly enriched Defendants, at the expense of Plaintiff, other Class Members, and the public.

1 Plaintiff and other Class Members have been personally injured by Defendants' unlawful business
 2 acts and practices, as alleged herein, including but not necessarily limited to the loss of money or
 3 property.

4 189. As a result of Defendants' conduct, the Class Members have suffered damages, in an
 5 amount to be determined according to proof at trial.

6 190. Also, as a result of Defendants' conduct and pursuant to Business & Professions Code
 7 §17200, *et. seq.*, Plaintiff and the Class Members are entitled to preliminary and permanent injunctive
 8 relief enjoining Defendants from continuing to commit their illegal acts, and for an accounting for
 9 and restitution of the monies unlawfully withheld and retained by Defendants and other appropriate
 10 relief available under Business and Professions Code §§17200 and 17203.

11 191. As a further result of Defendants' unlawful and unfair business practices and pursuant
 12 to Business & Professions Code §17200, *et. seq.*, the Class Members, including Plaintiff, are entitled
 13 and do seek are also entitled to disgorgement of illegally acquired profits by Defendants during the
 14 period starting four years before the filing of the Complaint through the present.

15 192. Plaintiff and Class Members are also entitled to and do seek an award of attorneys'
 16 fees and costs pursuant to the common fund doctrine, California Code of Civil Procedure §1021.5
 17 and all other applicable laws.

18 **NINETH CAUSE OF ACTION**

19 CIVIL PENALTIES PURSUANT TO LABOR CODE PRIVATE ATTORNEY GENERAL ACT

20 (California Labor Code §2699)

21 (Against All Defendants)

22 193. Plaintiff repeats and realleges all of the allegations set forth in the preceding
 23 paragraphs as if the same were fully set forth herein and with the same full force and effect.

24 194. Pursuant to Labor Code §558.1, not only Defendants, but any other natural person
 25 who is an owner, director, officer, or managing agent of Defendants may be held personally liable for
 26 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
 27 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
 28 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

1 195. Plaintiff is an “aggrieved employee” under Cal. Lab. Code § 2698 et seq. (“PAGA”),
 2 as Plaintiff has been employed by Defendants during the applicable statutory period and suffered one
 3 or more of the Labor Code violations herein. As such, Plaintiff seeks to recover, on behalf of himself
 4 and all other current and former aggrieved employees of Defendants, the civil penalties provided by
 5 PAGA, plus reasonable attorney’s fees and costs.

6 196. Plaintiff seeks to recover the PAGA civil penalties through a representative action
 7 permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal. 4th
 8 969. Therefore, class certification of the PAGA claims is not required.

9 197. On June 1, 2024, Plaintiff gave written notice of Defendants’ violations of various
 10 provisions of the California Labor Code as alleged in this complaint to the Labor and Workforce
 11 Development Agency (“LWDA”) via the online filing system required by the PAGA statute and with
 12 a copy via certified mail to Defendants. The LWDA did not provide notice of its intention to
 13 investigate Defendants’ alleged violations within sixty-five (65) calendar days of the June 1, 2024,
 14 postmark date of the notice sent by Plaintiff. *See* Cal. Lab. Code § 2699.3.

15 198. Plaintiff seeks civil penalties pursuant to PAGA for violations of the following Labor
 16 Code provisions:

- 17 i. Labor Code §432.5 for requiring California Employees to agree, in writing,
 18 to any term or condition which is known or should have been known by
 19 Defendants to be prohibited by law;
- 20 ii. Labor Code §§1197, 1197.1, and 1194 for failing to pay at least the
 21 minimum wage fixed by the commission for all hours worked and/or the
 22 legal overtime compensation applicable to the California Sales Employees;
- 23 iii. Labor Code §§510 and 558 for failing to pay overtime to the California
 24 Sales Employees;
- 25 iv. Labor Code §§551 and 552 for cause their California Sales Employees to
 26 work more than six days in seven and not providing one day’s rest in each
 27 seven (7) day period;
- 28 v. Labor Code §§246, 246(l), and 248.5 for failing to comply with

1 California's sick leave laws and for failing to pay California Sales
2 Employees as required by Labor Code §246(l);
3 vi. Labor Code §1198 for employing California Sales Employees for longer
4 hours than those fixed by under conditions of labor prohibited the labor
5 commission's wage order, which for Defendants' employees are listed in
6 Wage Order 4;
7 vii. Labor Code §§226.7 as well as paragraph 12 of Wage Order 4-2001 for
8 failing to authorize and/or permit required rest periods to Plaintiff and other
9 misclassified California Sales Employees;
10 viii. Labor Code §226.7(b) and paragraph 11 of Wage Order 4-2001 failing to
11 pay Plaintiff and other misclassified California Sales Employees the
12 additional hour of compensation earned for every shift that a mandated rest
13 period was denied;
14 ix. Labor Code §§226.7 and 512 and paragraph 11 of Wage Order 4-2001 for
15 failing to provide required meal periods to Plaintiff and other
16 misclassified California Sales Employees;
17 x. Labor Code §226.7(b) and paragraph 11 of Wage Order 4-2001 failing to
18 pay Plaintiff and other misclassified California Sales Employees the
19 additional hour of compensation earned for every shift that a mandated
20 meal period was denied;
21 xi. Labor Code §§201, 202, 203 and 204 for failing to pay all wages
22 immediately at the time of separation of employment, or to a California
23 employee who provides at least 72 hours of notice of their intent to quit as
24 well as failing to provide waiting time penalties for those violations;
25 xii. Labor Code §204(a) for failing to pay all wages earned by any employee
26 between the 1st and 15th days of any calendar month by no later than the
27 26th day of the month during which the labor was performed, and all wages
28 earned between the 16th and last day of the month to be paid by the 10th day

of the following month;

- xiii. Labor Code §204(b) for failing to pay all wages earned for labor in excess of the normal work period by no later than the payday for the next regular payroll period;
- xiv. Labor Code §§226(a) and 226.3 for failing to provide accurate and complete wage statements for each pay period;
- xv. Labor Code §§1174 and 1174.5 for failing to keep required payroll records;
- xvi. Labor Code §221 for illegally collecting and receiving from its employees any part of wages theretofore paid by Defendants to said employee;
- xvii. Labor Code §300 for illegally assigning employee's wages without the assignment being contained in a separate written instrument signed by the individual whom the wages or salary has been earned by and identifying specifically the transaction to which the assignment relates and where the employee is married, failure to obtain written consent of the employee's spouse;
- xviii. Labor Code §2751 for violations of California's rules for commission plans;
- xix. Labor Code §206.5 for requiring California Sales Employees to release a claim for wage due;
- xx. Labor Code §223 for failing to provide California Sales Employees with their wages according to their contracts; and
- xxi. Labor Code §2810.5 for failing to provide California Sales Employees with written notice, at the time they were hired, with all of the information required by Labor Code §2810.5(a)(1).

199. With respect to violations of Labor Code §§1194, 1197 and 1197.1, Labor Code
§1197.1 imposes a civil penalty in addition to any other penalty provided by law of one hundred
dollars (\$100) for initial violations for each underpaid employee for each pay period for which the
aggrieved employee was underpaid in addition to an amount sufficient to recover underpaid wages,

1 and two hundred and fifty dollars (\$250) for subsequent violations for each underpaid employee for
 2 each pay period for which the aggrieved employee was underpaid in addition to an amount sufficient
 3 to recover underpaid wages. Moreover, Plaintiff seeks civil penalties in the amount of unpaid wages
 4 owed to aggrieved employees pursuant to Labor Code §1197.1(a)(3). Plaintiff also seeks liquidated
 5 damages in an amount equal to the unpaid wages owed to aggrieved employees and interest thereon
 6 pursuant to Labor Code §1194.2(a).

7 200. With respect to violations of Labor Code §§510 and 1198, Labor Code §558 imposes
 8 a civil penalty in addition to any other penalty provided by law of fifty dollars (\$50) for initial
 9 violations for each underpaid employee for each pay period for which the aggrieved employee was
 10 underpaid in addition to an amount sufficient to recover underpaid wages, and one hundred dollars
 11 (\$100) for subsequent violations for each underpaid employee for each pay period for which the
 12 aggrieved employee was underpaid in addition to an amount sufficient to recover underpaid wages.
 13 Moreover, Plaintiff seeks civil penalties in the amount of unpaid wages owed to aggrieved employees
 14 pursuant to Labor Code § 558(a)(3).

15 201. With respect to violations of Labor Code §§226.7 and 512, Plaintiff seeks, in addition
 16 to any other penalty provided by law, civil penalties in the amount of one additional hour of pay at
 17 the aggrieved employee's regular rate of compensation for each work day that the meal or rest period
 18 is not provided to Labor Code § 226.7(b).

19 202. With respect to violations of Labor Code §§201 to 204, Plaintiff seeks, in addition to
 20 any other penalty provided by law, civil penalties in the amount of one day of each aggrieved
 21 employee's wages for each calendar day that they remain unpaid, up to a maximum of thirty (30)
 22 days, pursuant to Labor Code §203.

23 203. With respect to violations of Labor Code §§204(a) and 204(b), Labor Code §210
 24 imposes a civil penalty in addition to any other penalty provided by law of one hundred dollars (\$100)
 25 for each initial failure to pay each aggrieved employee, and two hundred dollars (\$200) for each
 26 failure to pay each aggrieved employee, plus 25% of the amount unlawfully withheld.

27 204. With respect to violations of Labor Code § 226(a), Labor Code §226.3 imposes a civil
 28 penalty, in addition to any other penalty provided by law, of two hundred fifty dollars (\$250) per

1 aggrieved employee for the first violation, and one thousand dollars (\$1,000) per aggrieved employee
 2 for each subsequent violation of Labor Code § 226(a).

3 205. With respect to violations of Labor Code §1174, Labor Code §1174.5 imposes a civil
 4 penalty of \$500.

5 206. With respect to violations of Labor Code §246, Labor Code §248.5(e) provides that
 6 any person or entity enforcing this article on behalf of the public as provided for under applicable
 7 state law shall be entitled to recover “equitable, injunctive, or restitutionary relief, and reasonable
 8 attorney’s fees and costs,” which are all sought by Plaintiff on behalf of himself and other similarly
 9 aggrieved employees.

10 207. With respect to violations of Labor Code §223, Labor Code §225.5 imposes a civil
 11 penalty of one hundred dollars (\$100) for each failure to pay each employee and for each subsequent
 12 violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay
 13 each employee, plus 25 percent of the amount unlawfully withheld.

14 208. Labor Code § 2699 et seq. imposes a civil penalty of one hundred dollars (\$100) per
 15 pay period, per aggrieved employee for initial violations, and two hundred dollars (\$200) pay period,
 16 per aggrieved employee for subsequent violations for all Labor Code provisions for which a civil
 17 penalty is not specifically provided, including, but not limited to, Labor Code §§206.5, 221, 300,
 18 432.5, 551, 552, 558, 1174, 2751, and 2810.5.

19 209. Plaintiff reserves his right to allege any additional and all other violations of the Labor
 20 Code and the Wage Order as may be disclosed in discovery and as a result of additional investigation
 21 that may be pursued in this action.

22 210. Plaintiff was compelled to retain the services of counsel to file this court action to
 23 protect their interests and those of Defendants’ other former and current California Athletic Trainers,
 24 and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred
 25 attorneys’ fees and costs, which he is entitled to recover under Labor Code §2699

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PRAYER FOR RELIEF

WHEREFORE, Plaintiff seeks judgment against Defendants, and each of them, in an amount according to proof, as follows:

1. Certification of Plaintiffs' claims as a class action, pursuant to Cal. Code of Civ. Pro. §382, on behalf of the proposed class and Class Members;

2. Naming Plaintiff as representative of all Class Members and Plaintiff's counsel as Class counsel to represent all Class Members;

3. Class notice to all Class Members;

4. For an order declaring that Defendants' conduct violate the statutes and laws referenced herein;

5. For an order finding in favor of Plaintiff and all Class Members on all counts asserted herein;

6. For general, compensatory, and consequential damages according to proof, including, but not limited to, for lost wages and earnings, and all other sums of money, together with interest on these amounts;

7. For all liquidated damages and statutory penalties authorized or required by law;

8. For restitution of all wrongfully withheld amounts, including, but not limited to wages, in an amount according to proof;

9. Preliminary and permanent injunctions enjoining and restraining Defendants from continuing the unfair and unlawful business practices set forth above, and the requiring the establishment of appropriate and effective policies, procedures, and practices in place to prevent future violations of the aforementioned California laws;

10. Disgorgement of illegally acquired profits by Defendant during the period starting four years before the filing of the Complaint through the present pursuant to Business & Professions Code §17200, *et seq.*:

11. For declaratory relief:

12. For all equitable relief;

13. For pre-judgment and post-judgment interest on each of the foregoing at the legal rate

1 from the date the obligation became due through the date of judgment on this matter as required by
2 law, including, but not limited to, Labor Code §§218.6, 1194, and 1194.2;

3 14. For an award to Plaintiff and the Class Members of their reasonable costs of suit,
4 attorneys' fees, and expert witness fees under all applicable statutory or contractual basis; and

5 15. For such other and further relief as this Court may deem just and proper.

6
7 DATED: September 10, 2024 Respectfully submitted,

8 **VALLES LAW, P.C.**

9
10 By: 
11 Daniel Valles
Kayla Rathjen

12 Attorneys for Plaintiff
13 MATTHEW LAZARES, ON BEHALF OF
14 HIMSELF, AND ALL OTHERS SIMILARLY
15 SITUATED

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